

# GENERAL COUNSEL'S REPORT

August 28, 2013

B. Rosewood Manor, Spring Hill (Maury County), TN — CN0703-021A

Request for a twenty-four (24) month extension of the expiration date from September 1, 2013 to September 1, 2015:

This project was presented on July 25, 2007 for the replacement and relocation of the existing nursing home from Columbia to Spring Hill, and the addition of thirty (30) Medicare certified skilled nursing beds for an increase in licensed beds from sixty-eight (68) beds to ninety-eight (98) SNF beds with an estimated project cost of \$10,668,976. NHC opposed the additional 30 beds and noted that the opposition would be withdrawn if the additional beds were limited to twelve (12) or less. Two motions were made: Mr. Atchley moved for approval with the condition by NHC, Mr. Jones seconded, the motion failed 4-4; Mr. Lammert moved for approval with no bed increase, Ms. Weaver seconded, motion carried by unanimous vote 8-0.

The applicant provided the following justifications:

1<sup>st</sup> extension request: July 22, 2009--Site work had started but was not complete because the project was adjacent to Spring Hill Hospital which was under appeal. Two motions were made: Ms. Weaver moved for denial, Dr. Handorf seconded, the motion failed 2-6; Mr. Lammert moved for approval, Mr. Atchley seconded, motion carried by a 6-2 vote. The original expiration date of September 1, 2009 was extended to September 1, 2011.

2<sup>nd</sup> extension request: July 27, 2011--The downturn in the economy and the crisis in the banking industry had resulted in constraints in the financial markets which led AHC, parent company of Rosewood Manor, to refinance its 100 million dollar portfolio. The project had also been delayed due to the appeal of the approval of Spring Hill Hospital which had since been overturned. Site work and infrastructure improvements could now be coordinated with Tri-Star Health System since the approval of Centennial Medical Center Satellite Emergency Department on the same site where Spring Hill Hospital was to be located. Mr. Lammert moved for approval of the request, Mr. Wright seconded, motion carried by unanimous vote 7-0. The expiration date was extended from September 1, 2011 to September 1, 2013.

3<sup>rd</sup> request: The applicant's letter and supporting documentation are attached.

# STITES & HARBISON<sup>PLLC</sup>

ATTORNEYS

2013 JUL 31 AM 11 24

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July 31, 2013

Melanie M. Hill  
Executive Director  
Tennessee Health Services and Development Agency  
Frost Building, 3rd Floor  
161 Rosa L. Parks Boulevard  
Nashville, TN 37243

Jerry W. Taylor  
(615) 782-2228  
(615) 742-0703 FAX  
jerry.taylor@stites.com

RE: Rosewood Manor  
CN0703-021A

Dear Ms. Hill:

This is to request a 24 month extension of the expiration date for the above referenced certificate of need, from its current expiration date of September 1, 2013 to September 1, 2015. The CON authorizes a replacement facility for the 68 bed nursing home and its relocation from Columbia to Spring Hill. No additional beds are involved. There was no opposition to the project. Rosewood Manor ceased operations in 2010 and its license is on inactive status.

As the record reflects, this project has been long delayed due to circumstances beyond the control of the owner. The site for the replacement facility is just beyond and across from the tract of land that was, at the time the Rosewood CON was granted, approved for the proposed Spring Hill Hospital. When Spring Hill Hospital lost its CON in an appeal, HCA's plan to construct a road across the entire area, which would have given access to the Rosewood site, was put on indefinite hold. HCA did complete the road up to the site where the Tri Star Centennial Emergency Department at Spring Hill is located, but the Rosewood site is beyond that point and is still inaccessible to commercial traffic. A site plan drawing for the proposed new road extension is attached as Attachment 1.

Over the past several years, the owners of Rosewood, together with all other land owners in the immediate area of the site, have been working on a strategy to accomplish having the road completed with cost sharing among the various land owners. With a backdrop of several different land owners and city administrations and officials involved in the strategy, a difficult economic downturn, and the necessity of HCA gaining CON approval for, and then constructing, the Tri Star Centennial Emergency Department at Spring Hill, the development of the road has been a slow process.

Recently, however, significant progress has been made in bringing the road to fruition. All the various landowners, including the Rosewood owner and HCA among others, have reached agreement on a plan to develop the road. The group has hired a civil engineering firm,

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Melanie M. Hill  
July 31, 2013  
Page 2

Stanford and Associates, and a complete set of engineering plans for the road have been completed. Most importantly, the City of Spring Hill has approved the road plan and has budgeted significant funds for its contribution to the road project. Required plans and permit applications have also been submitted to the multiple involved agencies of the State of Tennessee. A status report from Stanford and Associates is attached as Attachment 2. We expect to have additional progress to report by the time this request is considered by the Agency.


The Rosewood project is still very much needed. There are currently no nursing facility beds located in Spring Hill, which is one of the fastest growing areas in Middle Tennessee. And this site remains an ideal location. With the Tri Star Centennial Emergency Department at Spring Hill operational, the residents of the new Rosewood Manor will have almost immediate access to urgent and emergency care if needed. In addition, the Tri Star includes approximately 35,000 square feet of medical office building space. The MOB will be occupied in large part by physicians and other health care practitioners, again providing easy and convenient access to medical care as needed by residents of Rosewood Manor. Rosewood's site is just off Saturn Parkway, providing easy access to Rosewood for family members.

The owner of Rosewood remains optimistic that eventually the road will become a reality, but the timing is still unclear. Under these circumstances, we respectfully ask for the Agency's continued patience and understanding, and a 24 month extension on the CON. Frankly the 24 month time period is a best guess, but we believe that is the minimum amount of time needed in light of the fact it would appear the road will have to be near completion before construction on the Rosewood replacement facility can begin.

Please place this on the agenda for the August 2013 meeting. Representatives of Rosewood will be present to respond to questions and provide additional information if needed. Please let me know if you have any questions or if additional information is needed in the meantime. It is my understanding Rosewood has already paid the maximum filing fee, and no extension fee is necessary. Thank you for your assistance and consideration.

Sincerely yours,

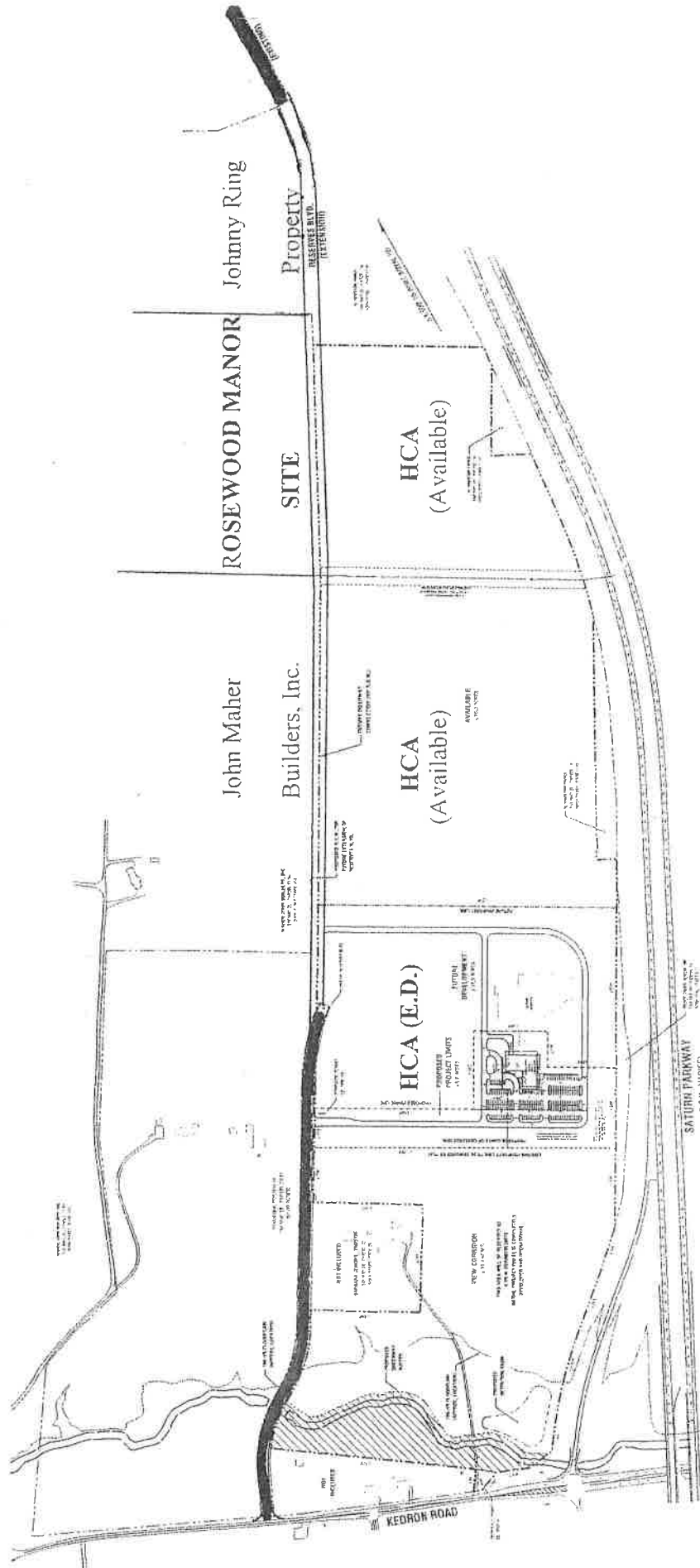
STITES & HARBISON, PLLC



Jerry W. Taylor

# RESERVES BOULEVARD EXTENSION

Spring Hill, Tennessee



**STANFORD & ASSOCIATES, INC.**  
410 McLemore Avenue . Spring Hill, Tennessee 37174 . Phone 931.486.2441  

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Consulting Engineering . Land Surveying . Land Planning . Since 1971

July 18, 2013

Randy Aydelotte  
John Maher Builders, Inc.  
1109 Old Kedron Road  
Spring Hill, TN 37174

**RE: Reserve Boulevard Design & Submittals**

Randy,

This letter will update you on the progress of Approval, Engineering and Surveying of Reserve Boulevard Design and Submittal.

The Current Status is as follows:

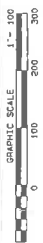
- The Final Plat for the project has been approved by the City of Spring Hill, Planning Commission.
- (b) The Preliminary Plat along with Construction Drawings have been approved by the City of Spring Hill Planning Commission, City Engineer and Public Works Staff.
- (c) Sewer Collector Lines Design and Water Distribution Design plans were submitted to the State of Tennessee department of TDWQ & TDWP for approval in early July. We expect receipt of approved plans in early August.
- (d) NOI, SWPPP and ARAP submittal and application for permit have been completed by Jean Matthews with Water Quality & Erosion Control of Tennessee (WQ&EC TN). These documents and/or forms are in need signature of each owner and/or participant. Once signatures are complete WQ&EC, TN will submit to TDEC for approval. Expect thirty 30 days for approval after signatures are on documents.
- (e) Nine (9) Full Sets of plans were delivered to Randy Aydelotte with JMB today.
- (f) Once we receive approval of Sewer Plans and Water Plans and the NOC and TNR Number we are prepared for Pre-Construction meeting with City Public Works. A Project Manager, Contractor, Engineer and owners (Optional) will need to attend the Pre-Con meeting.
- A grading permit can be obtained immediately after Pre-Con meeting.

If you have any question you may reach me at 615-598-3580. Thank you for the opportunity to provide Civil Engineering services for this project.

Sincerely,

*Leon Stanford*

Leon Stanford, PE/RLS



STATE OF TENNESSEE  
Health Services and Development Agency



Certificate of Need No. CN0703-021AE is hereby granted under the provisions of T.C.A. § 68-11-1601, *et seq.*, and rules and regulations issued thereunder by this Agency.

To: Rosewood Manor, Inc.  
PO Box 10  
Paris, TN 38363

For: Rosewood Manor

**This Certificate is issued for:** The replacement and relocation of the existing sixty-eight (68) bed nursing home. Rosewood Manor is currently located at 1400 Rosewood Drive, Columbia (Maury County), TN and the proposed location is an undeveloped, unaddressed 16.6 acre tract of land located north of Saturn Parkway, between Old Kedron Road and Port Royal Road, adjacent to the Spring Hill Hospital site, in Spring Hill (Maury County), TN.

\* This Certificate is a replacement of the originally issued Certificate of Need pursuant to Agency Rule 0720-10-.06 -- Expiration, Revocation, and Modification of issued Certificates. This project was originally approved on July 25, 2007. Extension of expiration date for two (2) year from September 1, 2009 to September 1, 2011 was granted at the July 22, 2009 Health Services and Development Agency Meeting. Extension of expiration date for an additional two (2) years from September 1, 2011 to September 1, 2013 was granted on July 27, 2011.

On the premises located at: unaddressed site between Old Kedron Rd & Port Royal Road  
Spring Hill (Maury County), TN 37174

For an estimated project cost of: \$10,668,976.00

The Expiration Date for this Certificate of Need is


\* September 1, 2013

or upon completion of the action for which the Certificate of Need was granted, whichever occurs first. After the expiration date, this Certificate of Need is null and void.

Date Approved: July 27, 2011

  
Chairman

Date Issued: September 28, 2011

  
Executive Director

**STITES & HARBISON** PLLC  
ATTORNEYS

AUG 29 '13 AM 9:57

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August 23, 2013

Melanie M. Hill  
Executive Director  
Tennessee Health Services and Development Agency  
Frost Building, 3rd Floor  
161 Rosa L. Parks Boulevard  
Nashville, TN 37243

Jerry W. Taylor  
(615) 782-2228  
(615) 742-0703 FAX  
jerry.taylor@stites.com

RE: Rosewood Manor  
CN0703-021A

Dear Ms. Hill:

Submitted herewith is a copy of a letter of support from HCA in regard to the request for extension for Rosewood Manor. This matter is on the Agenda for the August 28 meeting. I understand the original is being mailed to you, but since the letter lacks a project number, I wanted to send this to make sure it is put in the correct folder.

Please let me know if you have any questions. Thank you for your assistance.

Sincerely yours,

STITES & HARBISON, PLLC

  
Jerry W. Taylor



# HCA

Hospital Corporation of America

AUG 23 '13 AM 9:57

One Park Plaza  
Nashville, TN  
37203

8/22/2013

Melanie Hill  
Health Services and Development Agency  
161 Rosa Parks Blvd.  
Nashville TN 37243

Dear Melanie:

HCA owns property located off Reserve Blvd and Kedron Rd in Spring Hill. HCA constructed a portion of Reserve Blvd in 2008 that is planned to be dedicated to the city, and the road will eventually connect to Port Royal along the property line of neighboring property owners, including Tennessee Health Management.

We have been working with Tennessee Health Management, the City and other neighboring property owners in an effort to construct and develop the Reserve Blvd extension to Port Royal, and we are making positive progress toward that end.

Best Regards,



Ron Woods  
HCA Corporate Real Estate

# **GENERAL COUNSEL'S REPORT**

## **Clarification and Updated Status Letters**

### **Rosewood Manor**

**CN0703-021A**

STITES & HARBISON<sup>PLLC</sup>  
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August 22, 2013

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RE: Rosewood Manor  
CN0703-021A

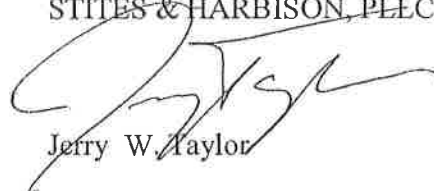
Dear Jim:

I recently submitted a letter seeking an extension of the CON on the above matter, and it is scheduled to be considered at the August meeting. In the letter I stated there was "no opposition" to the original CON. I just discovered the more accurate statement is "there was no opposition to the project as approved." The record reflects there was originally opposition filed by two facilities, but both subsequently sent in letters indicating they had no opposition if no more than 12 new beds were approved. Ultimately only the relocation and replacement facility, with no new beds, was approved and no opposition was voiced to that decision.

I apologize for my inaccurate use of words; please be assured there was no intent to mislead the members or the staff. I appreciate your assistance, and hope this has not caused any inconvenience to your, the staff or the members.

Sincerely yours,

STITES & HARBISON, PLLC



Jerry W. Taylor

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Alexandria, VA   Atlanta, GA   Frankfort, KY   Franklin, TN   Jeffersonville, IN   Lexington, KY   Louisville, KY   Nashville, TN

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August 26, 2013

Melanie M. Hill  
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Tennessee Health Services and Development Agency  
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Nashville, TN 37243

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jerry.taylor@stites.com

RE: Rosewood Manor  
CN0703-021A

Dear Ms. Hill:

Submitted herewith is a copy of a letter from Stanford & Associates providing an updated report on the status of the road extension project related to the request for extension on the Rosewood Manor project. This matter is on the agenda for the meeting this Wednesday.

Please let me know if you have any questions. Thank you for your assistance.

Sincerely yours,

STITES & HARBISON, PLLC



Jerry W. Taylor

18638N:131137:1013309:1:NASHVILLE

Alexandria, VA   Atlanta, GA   Frankfort, KY   Franklin, TN   Jeffersonville, IN   Lexington, KY   Louisville, KY   Nashville, TN

# STANFORD & ASSOCIATES, INC.

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Consulting Engineering . Land Surveying . Land Planning . Since 1971

August 23, 2013

Melanie Hill  
Health Services and Development Agency  
161 Rosa Parks Blvd.  
Nashville TN 37243

## **RE: Reserve Boulevard Design & Approval**

Melanie Hill,

At your request please find the following:

- Our company, Stanford & Associates, Inc. was engaged in April 2013 to prepare Construction Design Plans to connect Reserve Boulevard through five properties, 1) Peter Jenkins, 2) John Maher Builders, Inc., 3) Johnny Ring, 4) HCA, Inc and 5) Spring Hill Long Term.
- The Civil Engineering Design plans have been completed and approved by the City of Spring Hill, Planning Commission, Public Works and City Engineer.
- State of Tennessee has approved the Sewer and Water Plans.
- Plans have been submitted to Tennessee Department of Environmental Conservation. We expect to receive permit with tracking numbers in a few days.
- Approved Plans for the Project have been supplied to Contractors for bidding. The Contractors have submitted their bids. Awarding of the contract is pending a meeting of property owners.
- Preliminary and Final Plats for the project have been submitted and approved by the City of Spring Hill.

The construction of this project will complete Reserve Boulevard from Kedron Road on the west to Port Royal Road on the east. If you have any question you may reach me at 615-598-3580. Thank you for the opportunity to provide Civil Engineering and Land Surveying services for this project.

Sincerely,

Leon Stanford

Leon Stanford, PE/RLS

"Jesus Is Lord"